



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY RESERVE COMMAND
1401 DESHLER STREET SW
FORT MCPHERSON, GA 30330-2000

REPLY TO
ATTENTION OF

DAAR-IRP (11-2a)

1 Aug 00

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Fiscal Year (FY) 00 Statement on Management Controls

1. The CG, USARC's FY 00 Annual Statement of Assurance (ASA) to the CG, FORSCOM is at enclosure 1. The CG, USARC, reported management controls in the USARC, except for two reported material weaknesses, were in place and working as intended. The USARC's ASA to FORSCOM was the direct result of your efforts in executing your Management Control Process (MCP) during FY 00.
2. Enclosure 2 is a listing of the material weaknesses that you reported to the CG, USARC. The responsible USARC functional staff proponent reviewed each reported material weakness to determine the levels of visibility and action required. We will provide you feedback of their review by 31 Aug 00. We suggest you incorporate those weaknesses that are applicable to your organization or of concern to you in either your 5-year Management Control Plan or your annual Internal Review (IR) Plan. Either, or both of these actions, will provide you further assurance that management controls are in place, are being used, and are working as intended.
3. We also will provide your management control administrator (MCA) an assessment of your FY 00 ASA. The assessment measures your command's MCP using the criteria of: leadership emphasis, MCP training, MCP execution, and the quality of the material weaknesses you submitted. The assessment provides a benchmark for improving your ASA and MCP.
4. For additional information or further assistance, contact MAJ McNellis at (404) 464-8185.

FOR THE CHIEF, ARMY RESERVE:

//Signed//

2 Encls

FRANK J. BONO
Director, USAR Internal Review and
Management Control Process

DISTRIBUTION:

Directors and Chiefs, USARC Coordinating, Special, and Personal Staff Agencies
Commanders, USARC Major Subordinate Commands and Installations

DAAR-IRP

SUBJECT: Fiscal Year (FY) 00 Statement on Management Controls

CF (w/encls):

Office of the Chief, Army Reserve Directors, and Division and Office Chiefs (via e-mail)

Commander, Army Reserve Personnel Command (AR-PERSCOM)

Commander, U.S. Army Civil Affairs and Psychological Operations Command

Commander, 7th Army Reserve Command

Commander, 9th Regional Support Command

MEMORANDUM FOR Commander, U.S. Army Forces Command,
ATTN: AFCG-IGL, 1777 Hardee Avenue, SW.,
Fort McPherson, GA 30330-1062

SUBJECT: FY 00 Statement on Management Controls

1. The management control process throughout my organization provides reasonable assurance that:

- a. Assets are safeguarded against waste, loss, unauthorized use, or misappropriation.
- b. Obligations and costs comply with applicable law.
- c. Revenues and expenditures applicable to my operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports, and to maintain accountability over the assets.
- d. Programs and administrative functions are efficiently and effectively carried out in accordance with applicable law and management policy.
- e. The military and civilian managers who meet the criteria outlined in paragraph 2-10 of AR 11-2 have explicit management control responsibilities in their "performance agreements."
- f. All management control evaluations my command scheduled for review in FY 00 will be accurately completed and documented by 30 Sep 00.

2. My determination is based on general understanding and adherence to the GAO Standards for Internal Controls, verified by methods I believed necessary to evaluate the adequacy of management controls. Some of the actions supporting my determination included application of all scheduled management control evaluations by applicable organizational elements as well as the following:

- a. Performance of other management control evaluations warranted by local circumstances.
- b. Consideration of audits, inspections, and independent review reports.
- c. Assurances by principals of subordinate organizations.
- d. Heightened awareness and formal responsibility for the adequacy of management controls by military and civilian managers.

USAR IR&MCP

SUBJECT: FY 00 Statement on Management Controls

3. The application of standardized evaluations and other methods of review throughout my organization have not detected any management control deficiencies I considered material weaknesses except as included in this report. I have reviewed these weaknesses and am satisfied that actions taken or scheduled are sufficient to correct the deficiencies within a reasonable period of time.

4. Enclosure 1 describes how the management control process was conducted during FY 00. Enclosure 2 contains material weaknesses identified during FY 00. Enclosure 3 contains updates for material weaknesses submitted in previous fiscal years.

5. I have a concern on the progress of two previously reported material weaknesses; #97002, Lack of Reserve Component (RC) Billets, and #99002, Lack of Comprehensive Occupational Medical Surveillance.

a. We have completed all milestones of the RC Billets material weakness within our purview. Corrective action is dependent upon the MACOMs aligning their military construction (MILCON) program to provide replacement billets for support of RC training. Until MILCON is programmed and executed, replacement billets on Active Component (AC) installations will not be available to support the USAR training mission.

b. The USARC has neither the organic personnel assets nor fiscal resources to execute the occupational health program. The U.S. Army Medical Command (MEDCOM) is unable to meet the needs of the USARC due to Army medical force restructuring, clinic closures, resource constraints, and the wide geographic dispersion of the USARC work force. This headquarters has requested funding to implement this program.

6. I also have an area of concern that, though not reported as a material weakness, affects the readiness and stewardship of the USARC. This concern involves the ability to fund the necessary levels of Network Security Administrators and Technical Support Personnel. The lack of network security personnel at Army Reserve commands and installations, coupled with an ever increasing number of security mandates, makes the network vulnerable and at risk for cyber attacks, security violations, and ultimate closure. There is also a severe shortage of technical personnel that run daily-integrated network operations. The network supports over 30,000 workstations, nearly 60,000 full-time equivalent (FTE) users, and virtually every USAR functional business process related to mission and readiness. As network demands increase without corresponding increases in support personnel; the decreases in the level of customer service, network efficiency, and network management could ultimately lead to catastrophic network failure.

7. The USARC responsible official for this Annual Statement of Assurance is MAJ April McNellis, USARC Management Control Administrator, at (404) 464-8185 or E-mail: mcnellis@usarc-emh2.army.mil. Please contact her if you have any questions, or for more detailed information or assistance.

USAR IR&MCP

SUBJECT: FY 00 Statement on Management Controls

//Signed//

3 Encls

1. How the USARC MCP was
Conducted in FY 00
2. New Material Weaknesses
3. Previously Reported Material Weaknesses

CRAIG BAMBROUGH
Major General, USA
Deputy Commanding General

How the U.S. Army Reserve Command (USARC) Management
Control Process (MCP) was Conducted in FY 00

Encl 1

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP) was Conducted in FY 00

This assurance statement is based on a combination of actions taken to ensure there is a reasonable level of confidence that management controls throughout the command are in place and operating. Actions taken included:

HQ, USARC

LEADERSHIP EMPHASIS:

1. Staff Judge Advocate issued memorandums establishing reporting requirements and showing training associations between the Legal Support Organizations and the Active Component counterpart.
2. The Surgeon presented MCP at the USARC's Medical Symposium.
3. Conducted assurance awareness during each Surgeon's Office staff meeting.
4. Coordinated the U.S. Army Medical Command on quality assurance issues such as medical care provider credentials, developing controls for multi-component units and AC to RC PROFIS, and medical support at Annual Training sites.
5. Disseminated written policy for fiscal management practices to all units, commands and other activities that oversee or expend military intelligence (MI) funds. The policy required monthly reconciliations and quarterly status reports to the DCSINT.
6. Provided leadership emphasis and guidance on MCP to DCSINT division and branch chiefs at DCSINT staff meetings.
7. Emphasized the value of effective Internal Review (IR) and Management Control Process (MCP) Programs at Quality Assurance and Assistance (QA2) exit briefings with commanders, deputy commanders, and chiefs of staff. These outbriefs are conducted by the Director or Deputy Directors, USAR IR&MCP.
8. Provided MCP input for over 70 Command Group trip reports.
9. Developed MCP information papers for the General Officers Conference and USARC Commanders Conference. The papers addressed the new GAO Standards, the weakness detection process, and management controls in the USARC.

TRAINING:

1. Conducted (DCSINT) MCP training at the Reserve Component (RC) MI Commanders Conference. The conference, attended by more than **150** MI commanders and senior NCOs, addressed fiscal and management control responsibilities.

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

2. Conducted (Safety Division, DCSOPS) MCP training at the USARC Safety Conference. The conference, attended by **56** attendees, related the MCP to Risk Management.
3. Conducted MCP training at the U.S. Army Reserve (USAR) MCP PDC in Anaheim, CA for **89** attendees. Attendees represented management control administrators (MCAs) from USARC Major Subordinate Commands (MSCs) and HQ Staff Agencies, Army Reserve Personnel Command (AR-PERSCOM), OCAR Staff Agencies, 7th Army Reserve Command (ARCOM) and 9th Regional Support Command (RSC). Topics presented included: USAR MCP update, FY 00 Annual Statement requirements, GAO Standards and Control Self Assessment (CSA), Army Performance Improvement Criteria (APIC), Assessing Risk in an Organization, and MCP Distributive Learning Products.
4. Developed and presented a 4-hour block of comprehensive MCP training for **33** MSC and HQ, USARC MCAs. The instruction presented MCA-specific, interactive training with practical exercises. This training was held in conjunction with the 1-day USDA MCP Course.
5. Provided (DCSOPS MCA) MCP training via the ARRTC Distance Learning Product CD to ADSCOPS and branch chiefs (**9** total).
6. Developed (USARC MCA) a 2-hour block of instruction for AUMs and distributed to MSC MCAs for use at their commands.
7. Developed (USARC MCA) a 30-minute block of instruction relating Risk Management to MCP. The purpose of this was to emphasize the risk assessment aspect of MCP and improve communication of MCP to tactical personnel. Presented presentation at one of the FORSCOM VTCs.
8. Attended (USARC MCA) quarterly joint video teleconferences (VTCs). The FORSCOM VTCs are designed to keep the field/headquarters staff up to date in their respective programs and to promote good dialogue.
9. Contributed MCP articles to the USARC monthly publication, *Voice of the Double Eagle*. Some of the topics included: new GAO standards, USARC and FORSCOM FY 99 ASA Summaries, Control Interest article, 5-year MCP, and the USAR MCP PDC.
10. Improved communication to all USAR JAGs and enlisted personnel by implementing their internet web page that provides valuable information on the latest legal issues and provides links to numerous legal sites on the internet. SJA briefings are also published on the website for sharing information.
11. Conducted (Surgeon) numerous VTCs for adjacent staffs subordinate units on health awareness, safety, and unit AT medical site support procedures.
12. Updated the USARC Surgeon's web site to include MCP issues.

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

13. Provided (DCSPER MCA) a copy of the new GAO Internal Control Standards for the Federal Government to all DCSPER managers.
14. The DCSINT Army Military Intelligence Support Element (ARMISE) conducted a training seminar of the proper use and accountability of MI Funded Reimbursable Accounts to approximately 60 MI field personnel.
15. Participated (USARC MCA) in USARC Mobilization Staff Exercise (STAFFEX) and Mobilization Command Post Exercise (CPX). Exercise play enhanced staff coordination skills, employed the decision making model, and was a good training tool that will translate into real world during mobilization. Exercise also stimulated “out-of-the-box” thinking by other HQ, USARC Staff for using IR & MCP services.
16. Distributed (USARC MCA) information on a variety of MCP training opportunities to MSC and USARC Staff MCAs.

EXECUTION:

1. The SJA provided MCP guidance to functionally subordinate commands on incorporating SJA functions into their organizations' 5-year plans.
2. Incorporated the evaluation of Regional Training Sites into the Surgeon's 5-year plan.
3. Uses the Organizational Inspection Program (OIP) to identify any material weaknesses that might occur in the CIO business processes to include: automation equipment property books, software piracy and RLAS fiscal accountability.
4. Established a team, Overarching Integrated Product Team (OIPT), whose goal is to establish strategies, priorities, and resource allocation for RLAS.
5. Provided quarterly updates to DCSOPS on milestones of uncorrected material weaknesses.
6. Developed an alternative method for evaluating the management controls in Anti-Terrorism and Force Protection. The assessment criterion provides all USARC organizations with a standardized method of evaluating their programs.
7. Reviewed and provided input for several Army and USARC regulations and publications for MCP applicability.
8. Conducted 3 and scheduled 7 Quality Assurance and Assistance (QA2) reviews of IR and MCP functions at MSCs during FY 00. The purpose of these reviews was to evaluate the organization, operations, and effectiveness of the command's IR Program and MCP.

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

9. Provided guidance and feedback to MSCs on material weaknesses submitted by their commanders. Included in the guidance was a comprehensive list of all material weaknesses reported in FY 99 by MSC commanders.
10. Prepared and distributed FY 00 Annual Statement of Assurance instructions to the staff and subordinate units. Feeder statements are required from subordinate units and staff agencies.
11. Disseminated the updated annual Management Control Evaluation Inventory to staff and subordinate units. Both hard copy and e-mail versions were distributed. Staffed inventory to HQ, USARC staff to perform risk assessment and add functions or increase frequency as necessary. The USARC staff added 19 functions to the 5-yr plan that were not required by DA.

USARC SUBORDINATE COMMANDS

LEADERSHIP:

1. Emphasized the importance of management controls during staff meetings at all levels including commander's staff.
2. Briefed data on MCP performance in command quarterly reviews and yearly training briefs.
3. Presented the MCP at the Senior Leaders Conference. The presentation was designed to define the process and responsibilities for AUMs and Commanders.
4. Established senior management councils and committees to advise the head of the organization on management control issues and monitor progress on the correction of all weaknesses.
5. Distributed the testimony to AUMs of Eleanor Hill before the Subcommittee on National Security, Veterans Affairs and International Relations Committee on Government Reform United States House of Representatives on *DoD Vulnerabilities to Waste, Fraud and Abuse*.
6. MSC DCG personally E-mailed principal staff and Group Commanders the importance of the MCP and preparation of the ASA.
7. Several MSC Commanders used their ASA cover memorandums to emphasize reported material weaknesses or concerns within the USAR that impact readiness.

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

TRAINING:

1. Subordinate commands conducted in-house training for approximately **2,070** individuals. The type training ranged from MCP overview for managers to comprehensive for AUMs and MCAs. Training was provided on a large scale from general officer level down to the NCO manager.
2. Used MSC and installation websites to disseminate valuable MCP information. Topics included a standardized Power Point training brief with speaker's notes, MSC 5-year plan, and links to the ASAFM and ARRTC websites.
3. Many MSCs developed and distributed a wide variety of innovative MCP training materials and MCP information packets to AUMs and MCAs.
4. Incorporated MCP training requirements for Commanders, AUMs, and MCAs into the MSCs training plan.
5. Distributed new GAO Standards to all AUMs, managers and MCAs.
6. Published articles in monthly unit newsletter on management control issues and special interest items relating to MCP (i.e. Risk Management, Army Performance Improvement Criteria (APIC), Army Communities of Excellence (ACOE), etc.).
7. Conducted a fund certification workshop designed for RPA fund managers. The fund certification officials were also given a checklist to be completed quarterly. Distributed a locally developed checklist to assess the management controls for the Database Commitment Accounting System (DCAS).
8. Used the "train-the trainer" approach and distributed training materials presented at USAR MCP PDC to MSC SSAs and full-time managers.
9. Emphasized internal controls at workshops for higher-risk functions such as the IMPAC card, RFO processing, and SIDPERS/RLAS training, etc.
10. Utilized a wide variety of forums to present MCP training: one-on-one desk-side briefs, commanders' and senior leaders conferences, Officer/Noncommissioned Officer Professional Development (ODP/NCODP), supervisors workshops, Pre-Command Course, senior NCOs workshops, and FTUS Conferences.
11. Developed the first MCP Distance Learning Product (DLP). The DLP is a 20-minute CD-ROM that presents an overview of MCP. The product offers flexibility to AUMs to participate in the training at their convenience. It is available for download on the ARRTC website.

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

12. Presented on-site MCP orientation or training to subordinate activities. The purpose was to educate key personnel and provide assistance for implementing the program down to the lowest level of management.

EXECUTION:

1. Provided MCP guidance to subordinate activities. Guidance included function inventory, with a special emphasis on embedding the assessments into existing processes. Guidance also highlighted high risk areas for possible inclusion in five-year MCP.
2. Prepared and distributed FY 00 Annual Assurance Statement instructions to the MSC staff and subordinate activities. Most of the MSCs Commanders designated their subordinate activities and staff sections as AUMs and require annual feeder statements from to assess their MCP.
3. Disseminated the updated annual Management Control Evaluation Inventory to staff sections and subordinate activities. Inventories were staffed to MSC staff sections to evaluate and add functions that were high risk within their command.
4. Evaluated key management controls using existing processes such as Command Inspection Program (CIP), Command Supply Discipline Program (CSDP), Physical Security Inspections, Readiness Inspections, and functional team reviews.
5. Utilizes Internal Review to observe critical management controls of compliance to OPLAN/ORDER schedules to assure responsive reaction time is best used to meet missions.
6. Many MSCs utilized the Army Performance Improvement Criteria (APIC) to systematically assess their organization. As part of APIC, some of the MSCs have built teams to review business practices and processes to streamline procedures and promote efficiencies, as well as enhance management control over operations.
7. Distributed copies of internal and external audit reports to AUMs and managers for consideration of weaknesses in their area of responsibility.
8. Distributed copies of MSC's, USARC'S, and OCAR's FY 99 ASA to each AUM.
9. Developed a management control checklist to assess the management controls for the Database Commitment Accounting System (DCAS).

How the U.S. Army Reserve Command (USARC) Management Control Process (MCP)
was Conducted in FY 00

10. Centralized all financial management functions within the MSC ODCSCOMPT. This resulted in improved staff efficiency for critical workload periods and allowed greater separation of duties among program managers to strengthen the internal control environment. It has also provided greater opportunities for cross training and for formal training in selected courses to maintain proficiency in the financial management arena.

11. Established the *Accommodation Check Program* to reduce the high risk of erroneous payments, payment delays, and increasing the accountability of resources by fund managers. This program is now fully implemented and saves potential losses due to late payments to vendors.

12. Conduct weekly *Round Table* meetings identifying high-risk areas and reinforcing requirements and procedures for identified areas.

13. Developed Process Improvement Groups to streamline and improve the way business is conducted.

14. Included data on process performance in the quarterly review and analysis system to ensure correction of problems.

15. Briefed status on reported material weaknesses at annual Commander's Conferences and Yearly Training Briefs.

Newly Reported Material Weaknesses

NEW MATERIAL WEAKNESSES (UNCORRECTED)

USARC 00001	Military Occupational Specialty (MOS) Medical Retention Board (MMRB) for Reserve Soldiers (RC)
USARC 00002	Defense Metropolitan Area Telephone Services (DMATS)

Encl 2

UNCORRECTED MATERIAL WEAKNESS

Local ID #: USARC 00001

Title of Material Weakness: Military Occupational Specialty (MOS) Medical Retention Board (MMRB) for Reserve Soldiers (RC)

Description: The MMRB is part of the process to used to determine a soldier's deployability status due to a medical condition. A reserve soldier cannot have a MMRB done unless they are on active duty. The Chief of Staff of the Army tasked the Army to identify a methodology to evaluate the deployability of RC soldiers with P3/P4 in 1994. It was identified that the United States Army Reserve (USAR) has no standardized system for the determination of medical nondeployables. The National Guard uses the Medical Duty Review Board (MDRB) as a process to determine the medical nondeployability of its soldiers. This process is currently managed at state level and is not recognized at the mobilization platform of the Active Component. However, the USAR does not have a similar review board and does not have convening authority to conduct one.

According to Army Regulation 220-1, Unit Status Reporting, Appendix D soldiers who have P3 or P4 profiles and have not been declared deployable by an MMRB are not counted as available strength on Unit Status Reports (USR). Army Regulation 600-60, Physical Performance Evaluation System, states that a reserve soldier can only get a MMRB if he/she is on active duty. The USAR has 5747 Troop Program Unit (TPU) soldiers with P3 or P4 profiles. Approximately 50% of these soldiers may need a MMRB to determine deployability.

Only two of the ten Regional Support Commands (RSC), the 77th and the 90thRSC, were able to establish a relationship with a local Medical Treatment Facility (MTF) where they assist with MMRBs for Reserve soldiers even though they are not on active duty. Specialty Military Occupational Specialties (MOS), such as Army Medical Department, Staff Judge Advocates, or Chaplains, can not change to other branches so no MMRB is necessary. Soldiers whose physical restrictions are limited in their present MOS but are able to reclassify, as long as they meet reclassification requirements, can continue military service under the new MOS if determined by the board.

Functional Category: Force Readiness

Pace of Corrective Action:

Year Identified: 00

Original Targeted Correction Date: N/A

Targeted Correction Date in Last Year's Report: N/A

Current Target Date: 02

Reason for Change in Date (s): N/A

UNCORRECTED MATERIAL WEAKNESS (USARC 00001)

Component/Appropriation/Account Number: Army Reserve

Validation Process: The U. S. Army Reserve Command Surgeon's Office will determine if boarding process has been begun on soldiers with P3/P4 profiles.

Results Indicators: The United States Army Reserve is able to conduct MMRBs to determine deployability prior to mobilization.

Source (s) Identifying Weakness: 81st RSC, USARC Surgeon's Office

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
1st Qtr FY 94	General Rhiemer identified a ongoing problem with Reserve Component soldiers not having deployability status determinations prior to mobilization when soldiers were being deployed to Bosnia. Forces Command (FORSCOM) was tasked to establish some resolution to the issue. A process action team was formed at FORSCOM to work this issue.
1st Qtr FY 97	The Council of Colonels was founded and they were asked to address this issue and make recommendations for a standard one army process for MMRBs.
May 98	The General Officer Steering Committee met, reviewed, and approved the Council of Colonels recommendations. The recommendations were 1) Develop a standard system for all components; 2) Establish a committee to standardize the applicable regulations; 3) Develop an exportable profiling course for providers to ensure they understand the process; 4) Establish process that ensures acceptance of all board results at all mobilization platforms; 5) Maximize use of multi-component boards.
Oct 99	Council of Colonels provided interim guidance pending regulation changes to AR 600-60 to DA, DCSPER for approval. DA, DCSPER sent the interim guidance to the Physical Disability Board at Walter Reed for rewrite and approval of the interim guidance and AR 600-60.
Feb 00	Mrs. Frances Dennis, representing the Physical Disability Board stated at the Medical Symposium held by the USARC Surgeon's Office that the interim guidance request was denied and the regulation would be out in approximately one year with new guidance.

UNCORRECTED MATERIAL WEAKNESS (USARC 00001)

B. Planned Milestones (Current CFY)

<u>Date</u>	<u>Milestone</u>
Sep 00	USARC Surgeon will attend the Active Component/Reserve Component (ACRC/RC) Partnership Meeting. The USARC Surgeon will address the lack of progress and determine method for facilitating the MMRB for RC.

Point of Contact: MAJ Cathy Greer
Office Address: U.S. Army Reserve Command
ATTN: AFRC-MD
1401 Deshler St SW
Ft McPherson, GA 30330
Telephone: (404) 464-8203

UNCORRECTED MATERIAL WEAKNESS

Local ID#: USARC-00002

Title of Material Weakness: Defense Metropolitan Area Telephone Services (DMATS)

Description: DoD Directive 4640.5, Defense Metropolitan Area Telephone Services, 4 Apr 85, mandates that metropolitan areas will use defense telephone systems until the termination of these providers. Currently the 94th Regional Support Command (RSC), Fort Devens, MA, 88th RSC, Fort Snelling, MN, and the Army Reserve Personnel Command (AR-PERSCOM), St. Louis, MO are using Defense Metropolitan Area Telephone System (DMATS) for their telephone service at locations within their area of operations. The AR-PERSCOM and 99th RSC centers located in Virginia, Maryland and the Washington D.C. area use Defense Telephone System Washington (DTSW) or General Services Telecommunications Services. Telephone service providers DMATS and DTSW submit bills directly to operating locations (OPLOC) for payment. The OPLOC submits the invoice for payment electronically or facsimile to the Defense Finance and Accounting Service (DFAS) for disbursement.

DFAS disbursed \$200,000 of the 94th RSC's telecommunications funds to DMATS when the actual service cost for the 94th RSC was only \$23,000. This occurred in FY 99 and still remains unresolved. These conditions occurred because there are no controls in place for the customer to validate the bill before disbursement. As a result, the 94th RSC may experience a loss of communication service because their telecommunication funds will be depleted before the end of the fiscal year. Additionally, DFAS disbursed \$77,000 over the 94th RSC's obligations. The over disbursement occurred because there are no controls in place at the telephone service providers, OPLOCs or DFAS to ensure that disbursements do not exceed obligations. Disbursing over available funds violates the Anti-Deficiency Act. The Chief Information Office queried other MSCs and AR-PERSCOM that use defense mandated telephone services and they found that they are experiencing similar problems.

Functional Category: Information Technology

Pace of Corrective Action:

Year Identified: 00

Original Targeted Correction Date: N/A

Targeted Correction Date in Last Year's Report: N/A

Current Target Date: Unknown

Reason for Change in Date (s): N/A

Component/Appropriation/Account Number: U.S. Army Reserve

UNCORRECTED MATERIAL WEAKNESS

Local ID#: USARC-00002

Validation Process: USAR Internal Review and Management Control Process (IR&MCP) will conduct a follow-up audit on telephone communications costs.

Results Indicators: Customer validates detailed call-billing invoices before disbursement and controls are in place to prevent disbursements from exceeding obligations.

Source(s) Identifying Weakness: 94th RSC, Chief Information Office.

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
Jun 00	After receiving the 94th Regional Support Command material weakness, <i>DMATS Telephone Bills</i> , the CIO contacted the Information Management Offices of the 88th RSC, 89th RSC, 99thRSC, and AR-PERSCOM who use government telephone services. They reported problems with the defense telephone service providers; does not provide user oversight of billing prior to DFAS disbursing funds or detailed invoices, back-bills for up to 36 months, does not process service changes or adding features in a timely manner, does not adjust charges in a timely manner, and uses outdated technology.

B. Planned Milestones: (Current FY)

<u>Date</u>	<u>Milestone</u>
Sep 00	Chief Information Office will conduct a cost analysis of the telephone service being provided in these areas and compare the costs with the local exchange carrier/USARC provided Private Branch Exchange (PBX) service to determine any costs savings for these units.

UNCORRECTED MATERIAL WEAKNESS

Local ID#: USARC-00002

C. Planned Milestones: (Beyond Current FY)

<u>Date</u>	<u>Milestone</u>
Feb 01	The USAR Internal Review and Management Control Process (USAR IR&MCP) began the <i>USAR Audit of Telecommunications Costs</i> , #10-00 in May 00. The audit objectives are to identify ways to reduce telecommunications costs at the Major Subordinate Commands and document the way telecommunication costs can be reduced for future reviews.

Points of Contact: Ms. Linda Keener
Office Address: HQ USAR, AFRC-CIP-F, Fort McPherson, GA 30330
Telephone : DSN 367-9129 CML (404) 464-9129
or
Mr. Jim Dunbar
DSN 367-9329 CML (404) 464-9329

Previously Reported Material Weaknesses

OLD MATERIAL WEAKNESSES (UNCORRECTED)

USARC 99001	USAR Unit No Shows
USARC 99002	Lack of Comprehensive Occupational Medical Surveillance
USARC 97001	MSC Approved School Quotas
USARC 97002	Lack of Reserve Component (RC) Billets
USARC 96001	Shortfalls in Modernization Training and Special Tools Accountability
USARC 96002	Physical Exams for RC Soldiers

OLD MATERIAL WEAKNESSES (CORRECTED)

USARC 98001	Center Level Application Software (CLAS) Noncompliance with Y2K
Ft Dix 95001	Certification of Time and Attendance Cards

Encl 3

MATERIAL WEAKNESS FORMAT

UNCORRECTED MATERIAL WEAKNESS

Local ID #: USARC 99001

Title and Description of Material Weakness: U.S. Army Reserve (USAR) Unit No Shows. Each year, over 24,000 prior service soldiers are transferred from the Active Component (AC) or the Individual Ready Reserve (IRR) into USAR Troop Program Units (TPUs). From Oct through Apr 99, 3515 of these soldiers did not show up at their unit. This is a continuous trend with FY 98 no shows at 5154 and FY 97 with 7191. The U.S. Army Recruiting Command (USAREC) transfers over 20,000 of these soldiers. The balance is transferred by Army Reserve Personnel Command (AR-PERSCOM). The USAREC accounts for 1628 (8.1 percent) of this loss type year to date. However, 887 (22.1 percent) of the soldiers that the AR-PERSCOM transfers did not show up at their units.

After reviewing USAREC transfer process, it appears that there is a breakdown in the handoff between recruiters and units. Recruiters are required by USAREC Regulation 140-3 to escort soldiers to their respective units. This regulation requires a recruiter to escort each new soldier to the unit and receive a signature from unit personnel verifying that this has been accomplished. There is no active quality assurance mechanism in place to ensure that this step has been taken. The AR-PERSCOM's transfer losses may be attributed to the lack of an effective strength management plan. Historically, at the end of third quarter, AR-PERSCOM is only at 66 percent towards meeting their end strength goals. As a result, the focus shifts to meet end strength goals and the quality of retention diminishes. Also, there is not an effective follow-up process in place after a Personnel Manager Officer (PMO) transfers a soldier to a new unit to ensure that he will report to that unit.

No-show loss, due to soldiers not showing up at their newly assigned units, is continually one of the top four loss categories in the USAR. The shortfall significantly contributes to a historically over 30 percent loss rate and increases resources required for USAR recruiting by having to make up these losses each year in new accessions. This continuing cycle of recruit, lose, and recruit detracts from unit readiness by increasing the number of soldiers and dollars required to ensure effective execution of mobilization missions.

Functional Category: Force Readiness

UNCORRECTED MATERIAL WEAKNESS (USARC 99001)

Pace of Corrective Action:

Year Identified: FY 99

Original Targeted Correction Date: FY 00

Targeted Correction Date in Last Year's Report: FY 00

Current Target Date: FY 01

Reason for Change in Date(s): Issue to establish DA DCSPER policy to link USAREC mission credit with soldier arrival at unit was not resolved.

Component/Appropriation/Account Number: Army

Validation Process: Office of the Chief, Army Reserve (OCAR) Retention Transition Division (RTD) will conduct a review of losses by category and agency.

Results Indicators: No-show rate will not exceed 5 percent of transfers.

Source(s) Identifying Weakness: OCAR RTD conducted a review of losses by category and accessioning agency.

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
Oct 98	OCAR RTD issued loss reduction goals to commanders.
Jan 99	RTD conducted a review of losses by category and agency responsible for transferring.
Feb 99	Deputy Chief, Army Reserve letter to USAREC reporting results of review and requesting action on losses due to no show.
Apr 99	Deputy Commanding General, USARC memorandum to commanders requiring reduction and action plan.

UNCORRECTED MATERIAL WEAKNESS (USARC 99001)

Jun 99 AR-PERSCOM developed a corrective action plan to establish a glide path and improve their strength management performance.

Jul 99 RTD reviewed commanders' no show loss action plans.

Jul 99 RTD gathered no show loss data through 3d quarter and notified agencies (USAREC, AR-PERSCOM, PERSCOM) of results.

Jul 99 OCAR requested DA DCSPER to establish a policy to link USAREC mission credit with soldier arrival at unit.

Jul 99 AR-PERSCOM developed a corrective action plan to establish a glide path and improve their strength management performance.

Aug 99 RTD proposed to OCAR to institute a soldier help desk as an intervention measure that establishes agency to contact soldier and ensure customer service and problem resolution during handoff. A soldier help desk was implemented by DA PERSCOM for AC transfers to the Reserve Component (RC) and reduced no-show losses from 14 percent to below 5 percent.

Feb 00 Two meetings were held between DCAR, OCAR PER, RTD
Mar 00 and DA PERSCOM to discuss establishing policy to link USAREC mission credit with soldier arrival unit.

Oct 99 AR-PERSCOM established and implemented a plan to Intensively managed IRR program.

Dec 99 Commanding General, U.S. Army Reserve Command (USARC) issued memo to all commanders on the reduction goals.

Jul 00 The Chief, Army Reserve (CAR) established a USAR FY 00 goal not to exceed 29%, current rate is 21.4%. The USAR expect to be on target for Year-end

UNCORRECTED MATERIAL WEAKNESS (USARC 99001)

B. Planned Milestones (FY 2000 and beyond):

<u>Date</u>	<u>Milestone</u>
Ongoing	OCAR RTD will track rates on a monthly basis, report reduction status during quarterly strength briefing and recommend to Chief, Army Reserve required adjustments to field activities.

C. Planned Milestones (Beyond FY 00):

<u>Date</u>	<u>Milestone</u>
2d QTR, FY 01	Revisit issue with DA Deputy Chief of Staff for Personnel (DCSPER) establishes policy to link mission credit to soldier arrival at unit.
FY 01	OCAR RTD will conduct review of no-shows losses to determine if no-show rates have been reduced after implementation of milestones.

HQDA Functional Proponent Participating in Corrective Actions:
DCSPER (USAREC), OCAR (AR-PERSCOM)

Point of Contact: Ms. Jan Heath
Office Address: HQ FORSCOM, AFCEG-IGL, Fort McPherson, GA 30330
Telephone: DSN 367-2500 CML (404) 464-2500

MATERIAL WEAKNESS FORMAT

UNCORRECTED MATERIAL WEAKNESS

Local ID #: USARC 99002

Title and Description of Material Weakness: Lack of Comprehensive Occupational Medical Surveillance. The U.S. Army Reserve Command (USARC) does not have a comprehensive occupational health program consisting of industrial hygiene surveys of work places and employee physical exams (medical surveillance) in accordance with Public Law 91-596 and Executive Order 12196, which established the legal requirement to provide occupational health services. These requirements are codified under Title 29, United States Code, Section 668(a) and Title 29, Code of Federal Regulations Parts 1910 and 1960. Military implementation guidance is provided in DODI 6055.5, DOD 6055.5M, AR 385-10, and AR 40-5.

Adequate controls are not in place to identify, quantify, and assess employee occupational health threats and monitor employee health status in relation to the work environment.

The USARC has neither the organic personnel assets nor fiscal resources to execute the occupational health program. The U.S. Army Medical Command (MEDCOM) is unable to meet the needs of the USARC due to Army medical force restructuring, clinic closures, resource constraints, and the wide geographic dispersion of the USARC work force. Health resources are allocated at the DOD level in the Defense Health Program (DHP). The DHP does not resource the USARC for its occupational health requirement; all health resources are allocated directly to the MEDCOM without provision for further disbursement to the separate Major Army Commands. Reserve components are expected to pay for MEDCOM services, where available, on a cost-reimbursable basis.

The lack of a comprehensive occupational health program increases the vulnerability of this organization and the Army to:

a. Fraud, waste, and abuse under the workers' compensation program for claims of occupationally-induced injury, illness or disease, and long-term disability which may or may not be directly work connected;

b. Inappropriately assign personnel to occupations they cannot safely perform due to underlying physical limitations not detected or questioned as part of the employment process; and

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

c. Substantiate claims of occupationally induced injury, illness or disease, and long-term disability for lack of required workplace health hazard assessments and employee health monitoring.

Functional Category: Force Readiness

Pace of Corrective Action:

Year Identified: FY 97 (Not reported to HQDA until FY 99)

Original Targeted Correction Date: NA

Targeted Correction Date in Last Year's Report: 00

Current Target Date: FY 05

Reason for Change in Date(s): Funding for program implementation is programmed for FY 02-05.

Component/Appropriation/Account Number:

Validation Process: Program compliance is monitored by the USARC Safety Office through its annual Regional Support Command (RSC) and installation level command inspection programs. Electronic mail and telephone communication are used to verify program status between inspections. Compliance with Army health reporting requirements and data systems interface is verified by contacting MEDCOM and FORSCOM preventive medicine staff principals.

Results Indicators: Future benefits may include: a reduction in claims for workers' compensation, increased productivity and quality of life for the workforce, improved management at local levels, better placement and selection of personnel for assignment to physical arduous work assignments, statutory compliance with occupational safety and health law, and the ability to defend against claims of discrimination for medically based selection assignment, transfer, or termination of personnel for failure to meet medical fitness for duty requirements. Continued nonimplementation and control of this program may result in future occupational illness, injury, and/or disability claims against the USARC and the U.S. Army, as well as irrefutable claims for environmental differential pay.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

Source(s) Identifying Weakness: RSC Safety staffs; HQ, USARC Safety staff; investigation of employee compensation cases with Management Employee Relations; Internal Review Program notification via 96th RSC Safety Office.

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
Sep 97	HQ, USARC Safety Office, Union Partnership Council, and USARC Surgeon and Deputy Chief of Staff for Operations (DCSOPS) briefed on status of program. Established contact with incoming MEDCOM Industrial Hygiene (IH) Program Manager. USARC occupational health requirements submitted and briefed in DOD Health Affairs Program Objective Memorandum (POM) process; Office of the Deputy Under Secretary of Defense, Environmental Security, Safety and Health (ODUSD[ES(S&H)]) briefed.
Oct 97	FORSCOM Surgeon's Office briefed the USARC health program to the U.S. Army Center for Health Promotion and Preventive Medicine (USACHPPM) South; MEDCOM unable to meet USARC occupational health (OH) program needs.
Nov 97	Initiated actions to identify alternate sources of OH. Defense Manpower Data Center ran query of all DOD medical assets; potential commercial vendors identified; USARC full-time work force personnel and shop demographic data updated; limited OH/IH support provided from USACHPPM using MEDCOM P84 mission service funds.
Dec 97	Workplace health hazard evaluation software and computer systems, i.e., Health Hazard Information Module (HHIM) software and site

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

licenses, issued to USARC by MEDCOM USACHPPM Occupational Health Management Information System (OHMIS) Program Manager (PM).

USARC RSCs and HQs incorporated into the MEDCOM STAMIS for the Defense Occupational Health Readiness System (DOHRS) by OHMIS PM.

Fundamentals of IH for USARC Safety Professionals course held at USACHPPM Main for USARC RSC Safety personnel.

Jan 98 Cdr, USACHPPM assigns Army Reserve Command Liaison Officer (ARCLO) to USACHPPM South to assist in development of USARC OH/IH program; RSC and Installation Safety Managers report status of OH program within their area of responsibility.

Feb 98 USARC Deputy Chief of Staff for Logistics (DCSLOG) Maintenance Management Review Board briefed on status of OH program development; survey questionnaire distributed to RSC DCSLOG representatives to ascertain status of existing OH and IH program support in the RSCs.

USARC documents requirement for 10 GS-0690-11, Industrial Hygienist, positions (one per RSC).

Obtained status of USARC-MEDCOM Memorandum of Understanding (MOU) implementation plan. MEDCOM lacks sufficient resources to support the USARC OH program requirement; MOU not effective. Contacted USACHPPM Main to begin assessment of USARC hearing conservation program participation as part of the OH program.

Mar 98 Status of OH program activities and developed assessed internally; USARC staff principals updated.

OH program POM input provided to USARC DCSOPS and MEDCOM USACHPPM South ARCLO.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

USACHPPM briefed the OH program POM at ODUSD (ES[S&H]).

- Apr 98 USARC IH staffing position description (PD) developed incorporating both IH and OH program elements; PD disseminated to RSC Safety Managers for review and comment; PD provided USARC Deputy Chief of Staff for Personnel (DCSPER) and the Fort McCoy Civilian Personnel Office (CPO) for validation and use in advertising and filling RSC IH positions; 88th RSC initiates SF 52 action to fill IH position via Fort McCoy CPO.
- May 98 USACHPPM Main initiates action to review and determine USARC status in the Hearing Audiometry Registration System (HEARS), hearing conservation program; USACHPPM assigns reservist IMA Audiologist to perform special study.
- USARC Provost Marshall assists in review of selected workers' compensation claims as part of the OH program initiative and cost containment effort.
- Jun 98 USARC OH POM briefed as part of DOD Defense Health Program POM (FY 99-2005); Reserve Component requirement potentially added as part of a \$0.4 billion new mission requirement shortfall across DOD.
- Jul 98 OH program decision brief finalized for internal staffing; obtained market survey information for OH services from GMG WorkCare healthcare service provider.
- Aug 98 USARC Staff Principal reviewed and commented on proposed courses of action to implement program; met with MEDCOM and USACHPPM staff principals at Combined Preventive Medicine Workshop and Conference to discuss support to USARC.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

Occupational health program deficiencies are systemic throughout the MEDCOM due to force restructuring, MEDDAC and closures, and the move to TRICARE which neglects occupational and preventive medicine.

Sep 98 Decision brief for DCSOPS included assessment of comparative OH programs in other Army MACOMs and level of MEDCOM support.

Nov 98 DCSOPS approved decision brief.

Dec 98 RSC and installation safety staffs tasked to provide OH program status update NLT Mar 99. Commands required to report current level of OH program support, source of any current support, and resources required to bring program up to standard.

USARC Partnership Council briefed on current status of OH program efforts. Tasker extended to 244th Avn Bde per Partnership Council request. ISO 9001 training provided safety staffs of 81st, 89th, 90th RSC for potential use in test-bed model OH program development.

USARC Chief of Staff (CoS) briefed. Additional information requested.

Jan 99 USARC Staff Judge Advocate (SJA) renders legal opinion outlining and substantiating statutory and regulatory requirements to implement OH program.

USARC Deputy Chief of Staff for Comptroller (DCSCOMPT) and Director, Force Programs non-concurred with recommended course of action. Obtained market survey information from contract OH service providers, i.e., the U.S. Public Health Service (PHS) and Continuum Healthcare, Atlanta, GA.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

- Feb 99 Finalized special IH study to characterize typical health hazards present in 90th RSC high risk maintenance operations finalized. (USACHPPM South to perform study; 90th RSC to provide necessary funds.) Continued discussion with contract sources for OH service pricing.
- Mar 99 USARC Deputy Commanding General (DCG) and CoS briefed. Safety Office directed to obtain additional information, contract pricing, and cost-to-benefit data.
- Union grievances filed by 63d and 99th RSC employees for lack of OH program services. Potential welder exposure to Cadmium in the 90th RSC resolved with difficulty due to lack of organic OH resources and support network.
- The Army Functional Chief for IH reviewed and validated the USARC IH PD. USARC SJA and Command Safety Director met and discussed statutory compliance issues—statutory OH program requirement verified.
- Apr 99 USARC SJA renders second legal opinion confirming OH statutory requirements and responsibility for the USARC to provide the required services; POM requirements reaffirmed to USARC DCSOPS by safety office.
- May 99 U.S. Public Health Service (USPHS) provides OH program services and requirements briefing to USARC staff principals.
- Videoteleconference (VTC) held with MEDCOM, National Guard Bureau (NGB), and Office of the Chief, Army Reserve (OCAR) representatives regarding systemic lack of OH support within the Army.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

MEDCOM Office of the Army Surgeon will perform a special study to determine extent of program deficiencies.

The USACHPPM IH special study of 90th RSC initiated.

The OH support, historically provided to Fort McCoy, is further reduced by the Fort Knox Preventive Medicine Office—the second of two occupational health nurse positions is eliminated. The support may be provided three days per week by outsourcing to the Veterans Administration.

Jun - Briefed USARC DCG on status and options for
Jul 99 developing USARC OH program.

Coordinated cost estimate for contract services with the U.S. PHS; determined source of support for OH program implementation; integrated USARC OH program requirement into the Reserve Component Automation System (RCAS) functional description.

Aug 99 Completed first draft of OH program document for USARC regulation.

Continued to track RCAS development and integration of OH program elements. Briefed OCAR staff and CG.

Sep - VTC OH planning meeting held with representatives
Nov 99 of the OTSG, OCAR, USACHPPM Main, USACHPPM Army Reserve Command Liaison Officer, NGBSafety, and the USARC Command Surgeon and safety staff.

Presented USARC OH concerns at the DA IH work group planning meeting at the annual Force Health Protection Workshop. Participated in the Defense Occupational Health Program (DOHP) Vision/Planning Meeting (Joint Vision 2010)for occupational health.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

Both the 70th and 96th RSCs have obtained USPHS Federal Occupational Health (FOH) medical services with RSC DCSLOG interim funding.

Third-party audit of the 81st and 89th RSCs OH Program conducted by USACHPPM South.

Dec 99 - Extended the USACHPPM IH special study to the
Feb 00 following: Fort Hunter Liggett, Parks Reserve
Forces Training Area, the 89th and 63d RSCs.

The 88th RSC IH position was announced and filled.

Mar - Submitted the USARC DOHRS IH automation
May 00 requirements to USACHPPM Main.

Updated the USARC DCG on status and options for implementing the USARC OH Program. Program budget requirements were submitted with the FY 02-07 POM. The U.S. Public Health Service provided a USARC-wide plan of support.

The field survey phase of the 90th RSC IH special study was completed, resulting data being developed for use in the USARC-wide similar exposure group (SEG) study.

Partial USPHS FOH support obtained by the 99th RSC for its West Virginia maintenance facilities.

Continued development of the RCAS SOH module; reviewed status of Version 1.0, began development of V2.0.

UNCORRECTED MATERIAL WEAKNESS (USARC 99002)

B. Planned Milestones (FY 2000):

<u>Date</u>	<u>Milestone</u>
Jun - Sep 00	Revise and monitor status of OH efforts throughout the command. Continue the special IH study of the 89th and 90th RSCs, FHL, and PRFTA. Develop an industrial exposure profile, SEG profile, for the high risk maintenance activities within the Command. Monitor MEDCOM support activities. Milestone slipped from Sep 99 due to funding Issues.

C. Planned Milestones (FY 2000):

<u>Date</u>	<u>Milestone</u>
Oct 00	Determine program status and provide appropriate guidance to RSC and installation safety staff.

HQDA Functional Proponent Participating in Corrective Actions:
DOD Health Affairs Defense Health Program; The Surgeon General;
MEDCOM (Directorate of Health Policy and Services, Directorate of
Health Services, Prevention and Allied Health Division, and the
Budget Office)

Point of Contact: Ms. Jan Heath
Office Address: HQ FORSCOM, AFCG-IGL, Fort McPherson, GA 30330
Telephone: DSN 367-2500 CML (404) 464-2500

MATERIAL WEAKNESS FORMAT

UNCORRECTED MATERIAL WEAKNESS

Local ID #: USARC 97001

Title and Description of Material Weakness: Major U.S. Army Command Approved School Quotas. Major U.S. Army Command (MUSARC) approved school quotas did not match current command training requirements resulting in a high rate of course cancellations and non-conducts. Department of the Army Regulation 350-10 requires annual Total Army Centralized Individual Training Solicitation (TACITS) reporting of out year training requirements. These reports often are inflated; however, there is no systemic tool to validate an inflation "delta." An internal audit by one of the Divisions (Institutional Training) identified that of the 1081 quotas allocated in FY 97, only 85 (8 percent) matched current Duty Military Occupational Specialty (DMOS) training requirements and of the 705 quotas allocated in FY 98, only 90 (13 percent) matched current DMOS training requirements. When classes are scheduled to meet inaccurate Army Reserve training requirements, the result is a high percentage of cancelled and non-conducted classes, as well as a low quota utilization of the classes that are conducted.

Functional Category: Force Readiness

Pace of Corrective Action:

Year Identified: FY 97

Original Targeted Correction Date: NA

Targeted Correction Date in Last Year's Report: 01

Current Target Date: NA

Reason for Change in Date(s): NA

Component/Appropriation/Account Number: Army

UNCORRECTED MATERIAL WEAKNESS (USARC 97001)

Validation Process: U.S. Army Reserve Command (USARC) DCSOPS (Individual Training Branch) will validate by analyzing SMRD's reports to determine how well the MUSARCs are managing their quotas.

Results Indicators: With more accurate out year planning, current-training requirements will more closely reflect quotas allocated. This will result in reduced costs associated with cancelled, non-conducted classes, and low quota utilization of conducted classes.

Source(s) Identifying Weakness: Internal Review audit.

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
FY 98	Quota allocations are centrally managed at the USARC level, but it is ineffective in controlling quota utilization. Effective FY 98, the USARC delegated full responsibility for quota management to the Major Subordinate Commands (MSCs) to improve utilization rates.
Ongoing	In the interim, the USARC will use SIDPERS data, force structure changes, and historical usage to validate the MSCs' requirements.
3d Qtr FY 98	Contract for Army Requirements Training System (ARTS) cancelled and awarded to ASM [Army Training Requirements and Resource System (ATTRS) contractor].
Oct 98	ASM began testing of the new Army Requirements Model program (ATTRS replacement) for the Structural Manning Decision Review (SMDR) in the Army National Guard (ARNG).

UNCORRECTED MATERIAL WEAKNESS (USARC 97001)

Mar 99 ARNG testing completed. NGB is managing school requirements and quotas more effectively.

Jun 99 USARC began testing on USAR. (Milestone slipped from target date of Nov 98 because NB testing took longer than estimated.)

Sep 99 USARC testing of ARM-R completed. Program met design requirements.

Jan 00 The ATRRS contractor provided training for all MSCs.

B. Planned Milestones (FY 00 and Beyond):

<u>Date</u>	<u>Milestone</u>
4th Qtr FY 00	USARC DCSOPS(Individual Training Branch) to validate MSC input to TACITS for upcoming SMDR.
1st Qtr FY 01	USARC DCSOPS(Individual Training Branch) will analyze usage reports to validate proper quota Management.

HQDA Functional Proponent Participating in Corrective Actions:
DA DCSPER (DAPE-MPT)

Point of Contact: Ms. Jan Heath
Office Address: HQ FORSCOM, AFCG-IGL, Fort McPherson, GA 30330
Telephone: DSN 367-2500 CML (404) 464-2500

MATERIAL WEAKNESS FORMAT

UNCORRECTED MATERIAL WEAKNESS

Local ID #: USARC 97002

Title and Description of Material Weakness: Lack of Reserve Component (RC) Billets. Traditionally, the RC occupies approximately 50,000 billeting spaces at various military installations. There are no current billeting replacement plans. Though short-term solutions may be found, this situation avails itself to a limited number of viable long-term solutions.

This affects both Modified Tables of Organization and Equipment (MTOE) and Tables of Distribution and Allowances (TDAs) RC units. The MTOE units rely on these structures for some Inactive Duty Training (IDT) but predominately Annual Training (AT).

The Institutional Training (IT) divisions perform Initial Entry Training (IET) missions by conducting both Basic Combat Training (BCT) and One Station Unit Training (OSUT) at specified Army Training Centers (ATCs).

The Total Army School System (TASS) qualifies the vast numbers for military occupational specialty (MOS) and specialty training requirements for unqualified AC, Army National Guard (ARNG), and USAR soldiers. Unavailability of required billeting undermines the TASS by forcing Divisions(IT)to find and then fund various sites conducive to specific training.

There are numerous variables which impact scheduling of training sites. These include exercise support, environmental concerns, equipment availability, instructor/student travel, a conducive learning environment, and consideration of ARNG concerns. The USAR capability to train units on installations is critical to maintaining readiness.

This situation also threatens the RC's ability to train and qualify soldiers. Any change to the current operating procedure involves some disruption and necessitates immediate coordination and action among all applicable echelons. Any change must ensure soldiers continue to receive the highest quality of training possible.

UNCORRECTED MATERIAL WEAKNESS (USARC 97002)

This issue is a consequence of the Department of the Army (DA) Engineer's Infrastructure Reduction Program (IRP). DOD and Congress have mandated the Army demolish as much temporary construction as reasonable and practical, considering current usage requirements, Base Realignment and Closure (BRAC), Military Construction, Army (MCA), and downsizing. Each Army Major Command (MACOM) is required to reduce its temporary facilities.

With increased requirements for the use of the RC to support missions other than war, there is a continuing need to retain facilities to support operational training.

Functional Category: Construction

Pace of Corrective Action:

Year Identified: FY 97

Original Targeted Correction Date: NA

Targeted Correction Date in Last Year's Report: FY 00

Current Target Date: FY 05

Reason for Change in Date(s): Targeted correction date and FY 00 milestones slipped due to failure of MACOM's to prioritize MILCON to replace demolished billets.

Component/Appropriation/Account Number: Army/OMA, OMAR

Validation Process: The OACSIM Council of Colonels reviews MACOM demolition plans and Military Construction (MILCON) budgets to ensure identified facilities meet training mission.

Results Indicators: Billeting available during training for USAR soldiers at acceptable cost.

Source(s) Identifying Weakness: FORSCOM, USARC, and RC units conducting training.

UNCORRECTED MATERIAL WEAKNESS (USARC 97002)

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
FY 97	The Chief of Staff, Army (CSA) recognized the IRP would drastically backfire on RC training. The OACSIM tried to determine RC support requirements and contracted a civilian company to perform the analysis.
FY 97	Established a Stationing Analysis Task Force. Members included DA DCSOPS, DA DCSPER, ACSIM, TJAG, DA DCSLOG, and USAR and ARNG representatives.
Mar 98	Meeting at HQDA, OACSIM discussed installation support for RC training. Conflict between the IRP and RC training needs has created a win-lose situation. Installations do not perceive providing RC training support as part of there mission. Working group agreed to identify quantifiable RC training needs for training years (TYs) 98-03. USAR provided their respective data by March suspense. Remainder of RC data was not available for analysis during the 97 RPLANS update.
Apr 98	Videoteleconference (VTC) at FORSCOM, including OACSIM, DA DCSOPS, ASA (FM&C), FORSCOM, TRADOC, OCAR, NGB, and USARC ADCSOPS, addressed RC Billeting issues. <u>Training needs will determine billeting requirements.</u>
Apr 98	Council of Colonels created to address this issue.
Apr 98	VTC at FORSCOM between OACSIM, DA DCSOPS, FORSCOM, TRADOC, and USARC ADCSOPS discussed ongoing data collection.

UNCORRECTED MATERIAL WEAKNESS (USARC 97002)

2nd Qtr FY 99	Training data (when and where units train) provided to OACSIM.
2nd Qtr FY 99	Inventory of existing RC support facilities with condition code provided to OACSIM.
2nd Qtr FY 99	FORSCOM tasked USARC DCSOPS to provide training data. HQ,USARC DCSOPS provided training data (when and where units train) to FORSCOM.
3d Qtr FY 99	Development of an RC facility algorithm based upon training load completed. Assignment of units to installations for training completed. This training load input into algorithm and facility requirement generated.
Ongoing	TASS training should be moved to other regions which currently conduct the same training?
Ongoing	The USARC DCSOPS currently programs AT for units a minimum of 17 months out. The units are programmed during site/date conferences that are attended by installation representatives. Units must be scheduled by the priorities developed at these conferences.
4th Qtr FY 99	Based upon facility requirements, specific IRP guidance sent to installations defining facility base to be retained in support of RC training.
2d Qtr FY 00	OACSIM Council of Colonels meet to ensure maximum utilization of essential facilities. No new milestones or tasks were established.

B. Planned Milestones (FY 01):

<u>Date</u>	<u>Milestone</u>
1st Qtr FY 01	Based on training requirements, affected MACOMs [Army Material Command (AMC), Military District of Washington (MDW), NGB, TRADOC and FORSCOM] will identify MILCON requirements.

UNCORRECTED MATERIAL WEAKNESS (USARC 97002)

3d Qtr MACOMs adjust demolition plans to coordinate with
FY 01 MILCON budgets to meet training mission.

4th Qtr OACSIM Council of Colonels reviews MACOM
FY 01 demolition plans and MILCON budgets to ensure
 identified facilities meet training mission.

HQDA Functional Proponents Participating in Corrective Actions:
DA DCSOPS (DAMO-TR); ACSIM (Plans and Operations); OCAR
(Operations and Engineers); ARNG (Operations and Engineers)

Point of Contact: Ms. Jan Heath
Office Address: HQ FORSCOM, AFCG-IGL, Fort McPherson,
 GA 30330
Telephone: DSN 367-2500 CML (404) 464-2500

UNCORRECTED MATERIAL WEAKNESS

Local ID: USARC 96001

Title and Description of Material Weakness: Shortfalls in Modernization Training and Special Tools Accountability. Modernization training, documentation, and special tools accountability are not being consistently performed at user unit level. Units surveyed by the U.S. Army Audit Agency (USAAA) identified critical shortfalls in soldier's ability to pass equipment operator tests. Initial and subsequent sustainment training on displaced or new equipment, as required by AR 600-55, was found either non-existent or not recorded. The procedures for ordering and accounting for special tools did not readily allow for reviews of inspections. Unit level property book recording procedures, as required by AR 710-2, are not being adhered to.

Functional Category: Supply Operations

Pace of Corrective Action:

Year Identified: FY 96

Original Target Correction Date: NA

Targeted Correction Date in Last Year's Report: NA

Current Target Date:

Reason for Change in Date:

Component/appropriation/Account Number: Army/

Validation Process: Weakness will be corrected when:

- a. Record of all new or displaced equipment training is properly prepared, performed, and documented and inspected or submitted to the designated headquarters responsible for the execution and monitoring of the Train-the Trainer program.
- b. All special tools are properly ordered and documented as on hand or on order, as per AR 710-2, and inspected by higher headquarters, with special emphasis placed on units receiving or relinquishing such displaced equipment.
- c. Recommend an audit to insure compliance.

Source Identifying Weakness: U.S. Army Audit Agency Consulting Report #AA 96-720, 20 Dec 95.

UNCORRECTED MATERIAL WEAKNESS

Local ID: USARC 96001

Major Milestones in Corrective Action:

a. Completed Milestones:

<u>DATE</u>	<u>Milestone</u>
19 Mar 96	Initial evaluation of U.S. Army Audit Agency Review
3 Apr 96	HQ, USARC DCSLOG issued memorandum, SUBJECT: Management of Special Tools as interim guidance until was issued in the new AR 710-2 dtd 31 Oct 97 and DA Pamphlet 710-2-1 dtd 31 Dec 97.
24 Apr 96	Follow-up input to U.S. Army Audit Agency
6 May 96	Draft memorandum for field guidance completed for review.
25 Jul 96	Resubmission of draft memorandum for field guidance.
31 Jul 96	Staff draft memorandum (DCSLOG & DCSFOR) for DCSOPS approval/signature.
Sep 98	HQ, USARC DCSOPS issued USARC Command Training Guidance (CTG) for FY 99-00. Guidance emphasizes new equipment training (NET) as one of the Commander's training priorities.
May 99	<p>USAR Internal Review and Management Control Process (IR & MCP) Office completes review and report # 61 & 62-98, Modernization and Special Tools Accountability. The results of the evaluation indicate that some of the same conditions exist that were reported in the USAAA report. Management control weaknesses still exist in units authorized special tools:</p> <p>a. sustainment training for soldiers to remain proficient with their assigned equipment.</p> <p>b. the understanding and compliance of the current procedures for ordering and accounting for special tools.</p>

UNCORRECTED MATERIAL WEAKNESS
(USARC 96001)

<u>DATE</u>	<u>Milestone</u>
4 Jun 99	HQ, USARC DCSOPS provided comments on modernization training in response to the USAR IR & MCP Review of Modernization and Special Tools Accountability. They recommended closing the material weakness. They state that there are sufficient controls in place to assure unit readiness. The requirement to provide equipment modernization training, to document training, and to administer and document competency testing are clearly required by AR 600-55. Also, new equipment training (NET) is given high priority for individual training in the USARC CTG for FY 99-00 and will continue to place emphasis on NET in CTG for FY 01-02.
29 Jun 99	HQ, USARC DCSLOG provided comments on current procedures and accounting for special tools. They have recommended to report the material weakness as uncorrected. They concurred with the recommendations and they will be implemented as milestones.
Jul 99	HQ, USARC DCSLOG and USAR IR & MCP met to develop corrective milestones for material weakness. The DCSLOG, DCSLOG MCA, USARC MCA, and project officer attended.
Sep 99	<p>a. HQ, USARC DCSLOG developed an MCP checklist for tracking and evaluating controls over acquisition, accountability, and disposal of special tools.</p> <p>b. HQ, USARC DCSLOG provided the MCP checklist to HQ, USARC MCA for inclusion in the USARC five-year plan and send the checklist to all MSC MCAs for inclusion on their five-year plan. The <i>Special Tools Accountability</i> function was added to the FY 00 USARC 5-year MCP.</p>
Oct 99	Implemented the Command Logistics Review Program (CLRP) to assess the management of logistics programs. Specifically, the CLRP, along with HQs, USARC Organizational Inspection Program (OIP), will address the conduct of the Command Supply Discipline Program (CSDP). Ordering and accountability of special tools was integrated into the CSDP. This milestone replaces the Jul 99 milestone that states that HQ, USARC DCSLOG will issue guidance to MSCs to obtain and maintain special tools. The DCSLOG felt that the new milestone, which assesses the management controls in special tools accountability, would be more effective than issuing further guidance.

UNCORRECTED MATERIAL WEAKNESS
(USARC 96001)

Feb 00 Began CLRP assessments. The USARC CLRP uses on-site assessments to identify systemic issues which will be analyzed and addressed during biannual in-process reviews (IPRs) for the DCSLog. The IPRs will recommend specific corrective courses of action and identify responsible offices. Seven CLRP assessments are scheduled for FY 00.

B. Planned Milestones

<u>DATE</u>	<u>Milestone</u>
-------------	------------------

Aug 00	Conduct the initial CLRP IPR for the USARC DCSLog.
--------	--

Suspense augmentation required: Response from the field is not in conjunction with the original milestone time lines.

Point of Contact: SFC James Payton
Office: HQ, USARC, DCSLOG
Telephone: (404) 464-8116

MATERIAL WEAKNESS FORMAT
UNCORRECTED MATERIAL WEAKNESS

LOCAL ID# USARC 96002

Title and Description of Material Weakness: Physical examinations for Reserve Component Soldiers (RC). Due to limited access to Active Duty medical treatment facilities (MTF's). The ARNG and USAR have relied heavily on Modified Table of Organization and Equipment (MTOE) medical unit personnel to conduct physical examinations. While such practice has served to maintain the individual personnel readiness , it has been done at the expense of training. Downsizing of all components and services, to include base realignment and closures, has further reduced access for remotely located RC units. In order to sustain appropriate medical mobilization readiness capabilities in the face of reduced military medical resources, specific actions have already been identified through appropriate command channels to HQDA for resolution.

Functional Category: Health Care

Pace of Corrective Action:

Year Identified: FY 96

Original Targeted Correction Date: FY 98

Targeted Correction Date in Last Year's Report: FY 00

Current Target Date: FY 01

Reason for Change in Date(s): Congress returned study to Department of the Army for rewrite and verification of statistical data. Study had to be restaffed and rewritten at OSD before recommendations could be implemented or funding distributed.

Component Appropriation/Account Number: Army

Validation Process: Congress tasked the Secretary of the Army to rewrite the Reserve Component 746 Study Report for Congressional review and approval. Once approved, USARC Surgeon and MEDCOM will ensure that MTOE units are no longer performing physical examinations, thereby improve medical readiness for the "go to war" mission.

Result Indicators: General policies and procedures which allow RC soldiers to obtain physical examinations using local medical assets will reduce the soldier's time away from training, thereby improving readiness

Source(s) Identifying Weakness: USARC Surgeon, Regional Support Command Surgeons, Internal Review

UNCORRECTED MATERIAL WEAKNESS (USARC 96002)

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date:</u>	<u>Milestone</u>
Jul 96	Briefed Dr. John Mazzuchi, Deputy Assistant Secretary of Defense (Clinical Services), on the proposed Memorandum of Agreement establishing general policies and procedures for establishing general policies and procedures for conducting RC physical examinations using existing medical assets in a specified geographic area. Outlined procedures allowing USMEPCOM and DODMERB to conduct retention medical examinations and medical examinations using necessary as a result of annual medical certification screening.
Oct 96	The RC Physical Exam Capabilities Assessment (RCPECA) has been overshadowed by the approval of the National Defense Authorization Act (NDAA) of 1997, Section 746, which contained a provision of medical and dental care to members of the RC on active duty, including active duty for training and Annual Training, members on Inactive Duty Training, and and members of the Active/Guard Reserve. Further, the results of the study, along with the Department's recommendations for a comprehensive plan for ensuring that the medical treatment, active duty entitlements, and consideration for disability evaluation available to RC members is sufficient and in parity with that provided to members of the Active Component, was to be forwarded to Congress within 180 days of the enactment of this act.
Apr 97	MEDCOM, USARC, ARNG, and OCAR met to develop a statement of work for the development of a tool to assess the most appropriate means to meet both the RC medical readiness support requirement and medical and dental care entitlements. This will be utilized as the guideline for the contractor in the development of a tool for the study outlined in Oct 96 milestone.
Aug 97	Contract was established to conduct the required study on 1 August 97.
Ongoing	Contractor required to provide In-Process Review (IPR) every 30 days.
Jun 98	Contracted study completed according to statement of work on 22 Jun 99.
Aug 98	The Surgeon General, MEDCOM, FORSCOM, USARC, NGB, and OCAR reviewed study.
Sep 98	Study with results/recommendations submitted to Congress.
Jan 99	Congress returned study to Department of the Army for rewrite and verification of statistical data. Study is being staffed and rewritten at OSD.

UNCORRECTED MATERIAL WEAKNESS (USARC 96002)

<u>Date:</u>	<u>Milestone</u>
Jun 99	OSD returned final draft of 746 Study to Assistant Secretary of the Army.
4 th Qtr FY99	Recommendations adopted from 746 Study and funding obtained by OCAR for pilot program with the 81 st RSC.
Oct 99	Medical/ Dental Pilot Project started with the 81 st RSC, Veteran's Administration Hospital, Federal Occupational Health (FOH), OTSG, and OCAR.
Jan 00	Congress approved Reserve Component 746 Study Report's recommendations. Approval to go forward with plan from study results.
Feb 00	Medical/Dental Pilot Project named Health Strategic Alliance Program. The program has been expanded to the 77th RSC, 88th RSC, 89th RSC, and the 94th RSC as additional funding became available.

B. Planned Milestones (FY 00)

<u>Date</u>	<u>Milestone</u>
1 st Qtr FY01	Monitor success of Health Strategic Alliance Program pilot in the 81 st RSC and additional RSCs as added to the program.

HQDA Functional Proponents Participation in Corrective Actions: Office of the Secretary of Defense (Reserve Affairs); The Office of the Surgeon General; MEDCOM, NGB Surgeon, USARC Surgeon's Office, and OCAR.

Point of Contact: MAJ Cathy Greer
Office Address: HQ, USARC, AFRC-MDR, Fort McPherson, GA 30330
Telephone: DSN 367-8203 CML (404) 464-8203

MATERIAL WEAKNESS FORMAT

CORRECTED MATERIAL WEAKNESS

Local ID #: USARC 98001

Title and Description of Material Weakness: Center Level Application Software (CLAS) Program/Noncompliance with Year 2000 (Y2K). The CLAS program is a noncompliant Y2K critical software system that is used to perform a number of critical functions such as personnel and pay actions. The CLAS program will be replaced by the Regional Level Application Software (RLAS) program. RLAS is a Y2K compliant program that is scheduled to be migrated to Reserve Component Automation System (RCAS) in April of 1999. RLAS operates in Windows NT; however, it requires a local area infrastructure to operate properly. Currently, this network infrastructure is provided by the RCAS vertical and horizontal fielding operations. Without the funding for continued horizontal fielding of a network infrastructure to U.S. Army Reserve (USAR) major subordinate commands, the critical software program RLAS will not have the required network in place to be fielded. As a Y2K contingency plan, the CLAS program will require Y2K renovation, testing, and certification. This will require additional funding for CLAS Y2K renovation. The contingency plan will work; however, if RLAS is not fielded due to a lack of network infrastructure to all key USAR installations, pay, mobilization, medical, personnel, and mission readiness will be seriously impaired.

U.S. Army Reserve Command received \$5M for remediation.

Functional Category: Information Technology

Pace of Corrective Action:

Year Identified: FY 98

Original Targeted Correction Date: FY 99

Targeted Correction Date in Last Year's Report: FY 00

Current Target Date: N/A

Reason for Change in Date(s):

Component/Appropriation/Account Number: Army

CORRECTED MATERIAL WEAKNESS (USARC 98001)

Validation Process: System Integration Division (SID) is conducting RLAS beta testing. The results of the RLAS beta testing will determine whether or not additional personnel and resources will be required to renovate of CLAS software. U.S. Army Audit Agency (USAAA) will conduct follow-up audit in Oct 99.

Results Indicators: U.S. Army Reserve subordinate commands will have the required Y2K compliant infrastructure in place to facilitate the operation of critical information technology (IT) systems. RCAS programs will operate and allow programs such as the RLAS system to pay their soldiers, update personnel records, mobilize units, manage training, and perform logistical operations in a local network environment. U.S. Army Reserve Command (USARC) will have direct command and control capabilities with connectivity to subordinate units. Units will be able to reduce telecommunication dial-up costs while operating in a local area network (LAN) environment.

Source(s) Identifying Weakness: Chief, Information Office (CIO), USAAA.

Major Milestones in Corrective Action:

A. Completed Milestones:

<u>Date</u>	<u>Milestone</u>
May 98	Completed RLAS Alpha Testing (SID, USARC).
Aug 98	Beta testing of RLAS program (SID, USARC).
Mar 99	Developed Y2K contingency plans for units without infrastructure connectivity. (SID, USARC, FORSCOM)
Mar 99	RLAS is certified Y2K compliant by Chief Information Officer (CIO).
Aug 99	Full implementation of USAR network infrastructure and fielding of RLAS software. (OCAR CIO).
Aug 99	End-to-end testing of RLAS. (OCAR CIO)

CORRECTED MATERIAL WEAKNESS (USARC 98001)

B. Planned Milestones (FY 00):

<u>Date</u>	<u>Milestone</u>
Oct 99	USAAA will conduct follow-up audit. The United States Army Audit Agency will not conduct a follow-up audit because RLAS, which is Y2K compliant, replaced CLAS.

HQDA Functional Proponent Participating in Corrective Actions:
OCAR (CIO)

Point of Contact: Ms. Jan Heath
Office Address: HQ FORSCOM, AFCG-IGL, Fort McPherson,
GA 30330
Telephone: DSN 367-2500 CML (404) 464-2500

CORRECTED MATERIAL WEAKNESS

Local ID #: DIX-95001

Title of and Description of Material Weakness: Certification of Time and Attendance Cards. Under DFAS mandate, Fort Dix converted from the locally administered Standard Army Civilian Pay System (STARCIPS) to the Defense Civilian Pay System (DCPS) administered by Charleston in June 1994. This system lacks an important internal control element, in that the supervisor certifies time and attendance on time cards, the cards are then input into the DFAS database by the local timekeeper, with no quality review of that input. The previous system provided an independent review of the timecards by the Quality Editing Branch of the DRM, Finance and Accounting Office. The only check and balance in the new system is that the timekeeper cannot input his or her own time and attendance. This installation is projected to spend approximately \$40 million this fiscal year in civilian pay; consequently, the potential for waste (unintended errors) or fraud (collusion to create intentional errors) is great. This potential was significant enough that DFAS developed an auxiliary program for DCPS for electronic certification of time and attendance, which is being fielded at other installations. However, Fort Dix is not scheduled for implementation.

The time and attendance system has not been implemented at Fort Dix. Indications from DFAS-Charleston are that implementing this system could meet with technical and security problems, as well as being costly. Additionally, the fort Dix Inspector General has recently initiated an inspection into civilian pay operations on the installation. The results of the inspection will determine if implementing the time and attendance certification is worth pursuing.

Functional Category: Other (Pay Administration)

Pace of Corrective Action:

Year Identified: FY 95

Original Targeted Correction Date: No specific date established; FORSCOM has indicated that the certification system is available upon request.

Targeted Correction Date in Last Year's Report: N/A

Current Target Date: N/A

Reason for Change in Date (s): N/A

Component/Appropriation/Account Number: USAR/OMA,OMAR,AFH

Validation Process: This will be validated by periodic supervisory review of the civilian pay reports produced by the Defense Civilian Pay System (DCPS).

CORRECTED MATERIAL WEAKNESS (DIX-95001)

Results Indicators: Improved civilian pay controls, reduced pay input errors.

Source (s) Identifying Weakness: Management determination by Directorate of Resource Management and the Inspector General Office.

Major Milestones in Corrective Action:

C.	Completed Milestones:	
	<u>Date</u>	<u>Milestone</u>
	Sep 97	Reviewed IG Inspection Results
	Mar 98	Implemented use of standardized timesheets
	Mar 98	Provided summary reports to supervisors
	Sep 98	Provided training to civilian pay timekeepers
	Sep 98	Conducted meetings with timekeepers to resolve problems
	Sep 99	Developed a local checklist for civilian pay operations
	Jan 00	Conducted review of civilian pay records. Reviewed supporting documentation, i.e., sign-in sheets, and verified input was correct as entered.
	Mar 00	Completed civilian pay checklist.

Note: After making inquiries about the electronic certification system, it was determined that implementation would not be worthwhile. The electronic certification system would improve at least one area of management control; specifically, it would reduce the chance of collusion between employee and timekeeper.

However, other areas of control would not be effected by use of this system, e.g., supervisory error. Further, this system would potentially cause administrative problems with increased need for passwords, as well as increased special payments. Overall, the expected improvement in management controls is not considered sufficient to implement the system in light of the potential difficulties.

Point of Contact: Ms. Hannah McCarthy

Office Address: Commander, US Army Garrison, ATTN: AFRC-FA-RMM, Fort Dix, NJ 08640-5094

Telephone: DSN 944-2867; Commercial (609) 562-2867

Material Weaknesses Reported by MSC Commanders

USARC Staff	Weakness Title
CIO	Regional Level Application Software (RLAS) (13 MSC Commanders)* Inadequate Full-time Information Management Staffing Levels (80th DIV (IT) and 84th DIV (IT)) New Applications Fielding (80th DIV (IT)) Computer Monitoring (ARRTC) Defense Metropolitan Area Telephone Services (DMATS) (94th RSC) Information Systems Security (95th DIV (IT))
DCSCOMPT	Information Management Account Processing Codes (APC) (80th DIV (IT)) Travel Entitlements (108th DIV (IT))
DCSINT	Processing Security Clearances (143d TRANSCOM)
DCSLOG	Property Accountability (88th RSC) Inadequate S-4 Storage Space (95th DIV (IT)) Standard Army Retail Supply System (SARRS) APCs (94th RSC)
DCSOPS	Plan of Instruction (POI) Automation Requirements (80th DIV (IT)) Organizational Inspection Program (OIP) (81st RSC and 95th DIV (IT)) Physical Security Inspection (81st RSC) Radiation Protection Officer (RPO) (96th RSC)
DCSPER	Drug Demand Reduction (DDR) Resources (108th DIV (IT))
IG	Inspector General Network (IGNet) (95th DIV (IT))
SJA	Insufficient Legal Resources (108th DIV (IT))
Surgeon	Medical Defense Facility Shortages (77th RSC) Physical Exams for Reserve Component (RC) Soldiers (77th RSC)

* See Chief Information Office's (CIOs) Information Paper on next page.

Insert RLAS Information Paper